



**Fact Sheet**

**November 2004**

**Missouri Accomplishments  
For Fiscal Year 2004**

The Farm Service Agency ensures the well-being of American agriculture, the environment and the American public through efficient and equitable administration of farm commodity programs; farm ownership, operating and emergency loans; conservation and environmental programs; and emergency and disaster assistance.

Missouri FSA employees worked hard to fulfill that mission during fiscal year 2004. Here are some of our accomplishments.

***Making Credit Available to Missouri Producers.***

FSA makes and guarantees loans and provides credit counseling and supervision to farmers and ranchers who are temporarily unable to obtain private, commercial credit. FSA loan applicants are often beginning farmers who do not qualify for conventional loans because of insufficient net worth, or established farmers who have suffered financial setbacks from natural disasters or economic downturns.

Under the Guaranteed Loan Program, FSA guarantees loans made by commercial agricultural lenders for up to 95 percent of any loss. FSA offers Direct Loans to those unable to qualify for a Guaranteed Loan.

**\$104.9 Million Available to Missouri Producers.** Missouri Farm Service Agency county offices ap-

proved a total of 869 loans for \$104,925,000 to producers. Missouri ranked eleventh nationally in the total number of loans made and eighth in the total amount of money loaned. This includes:

**\$62.3 Million in Farm Ownership Loans.** Farm Ownership Loan funds may be used to purchase or improve real estate or reorganize the farm business. We approved 266 loans, making \$62,360,000 in credit available to Missouri producers through the Farm Service Agency's Direct and Guaranteed Farm Ownership Loan programs.

**\$42.4 Million in Farm Operating Loans.** Farm Operating Loans funds may be used for normal operating expenses, machinery and equipment, real estate repairs, and refinancing debt. In fiscal year 2004, we approved 599 loans, totaling \$42,413,000, in Direct and Guaranteed Farm Operating Loans to help Missouri producers plant and harvest their crops or reorganize their businesses.

**\$40.6 Million in Loans to Beginning Farmers and Ranchers.** Of the Farm Operating and Farm Ownership loans we made, 299 loans totaling \$40,657,000 were made to beginning farmers and ranchers.

**\$20.5 Million in Loans to Socially Disadvantaged Applicants.** A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic, or gender

prejudice because of his or her identity as members of the group without regard to his or her individual qualities. Included in the Farm Operating and Farm Ownership loans we made were 139 loans totaling \$20,544,000 that were made to socially disadvantaged applicants.

**\$152 Thousand in Emergency Loans.** Emergency loans help cover production and physical losses in counties declared as disaster areas by the President of the United States or by Secretary of Agriculture. In response to natural disasters, we made four low-cost loans, totaling \$152,000, to help producers get back on their feet.

***Helping Missouri Producers through Price Support and Farm Programs.***

Farm programs are designed to improve the economic stability and viability of the agriculture sector and to help ensure the production of an adequate and reasonably priced supply of food and fiber for American citizens.

Each program dollar paid to a producer turns over in the local community an estimated seven times.

**\$358 Million in Farm and Program Support.** Missouri producers received \$358,537,721 (ranking the state tenth nationally) in Commodity Credit Corporation program benefits. Farm and program support benefits included:

## **Farm Program Fact Sheet**

### **Missouri Accomplishments for Fiscal Year 2004**

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**\$205 Million in Direct and Counter-cyclical Program Payments.** The Direct and Counter-cyclical Program helps to stabilize U.S. agriculture by providing payments to eligible producers who enroll their farms each fiscal year during the life of the current farm bill. Producers who enrolled in the Direct and Counter-cyclical Program received \$205,034,868 in direct payments. Missouri ranked eleventh nationally in total DCP payments.

**\$106 Million in Conservation Reserve Program Payments.** Landowners enroll environmentally sensitive lands for terms of 10 to 15 years. In return for planting a protective cover of grass or trees, they receive an annual rental payment. Cost-share and incentive payments are also available. Missouri producers received \$106,466,729, making the state the eighth largest recipient of CRP funds nationally. Breaking down the payments, Missouri producers received \$100,521,227 in rental payments, \$4,005,427 cost-share payments, and \$1,940,075 incentive payments.

**\$22.8 Million in Loan Deficiency Payments.** A producer who is eligible to obtain a marketing assistance loan, but who agrees to forgo the loan, may obtain an Loan Deficiency Payment instead. Producers who elected to receive loan deficiency payments in lieu of marketing assistance loans received \$22,856,299, ranking the state seventh nationally.

**\$6.6 Million in Crop Disaster Assistance.** Missouri producers who suffered losses to agricultural commodities due to damaging weather or related conditions in 2001 or 2002 were

reimbursed \$6,626,421. To qualify for reimbursement, production losses must have exceeded 35 percent and quality losses must have exceeded 20 percent.

**\$6 Million in Environmental Quality Incentives Program Payments.** EQIP helps farmers and ranchers improve their property to protect the environment and conserve soil and water resources. Missouri producers received \$6,031,262 for enrolling priority areas in 5 to 10 year contracts.

**\$3.7 Million in Milk Income Loss Contract Payments.** The Farm Service Agency's Milk Income Loss Contract Program financially compensates dairy producers when domestic milk prices fall below a specified level. In fiscal year 2004, Missouri dairy operators received \$3,775,929 in payments to help compensate for low milk prices. Of that total, \$20,292 was in transition payments and \$3,755,637 was in regular MILC payments.

**\$2.3 Million in Livestock Assistance Program Payments.** The 2003 Livestock Assistance Program provided direct payments to eligible livestock producers who suffered grazing losses due to natural disasters during calendar year 2001 or 2002. Missouri livestock producers received \$2,302,104.

**\$2.2 Million in Emergency Conservation Program Payments.** ECP provides emergency cost-share funding for farmers to rehabilitate farmland damaged by natural disasters that create new conservation problems. The assistance may be used for removing debris from farmland;

grading, shaping and re-leveling farmland; restoring livestock fences; and restoring irrigation structures. Missouri producers received \$2,288,222, fourth highest in the nation, to help restore farmlands that had been damaged by natural disasters.

**\$2.2 Million in Market Loan Gains.** Marketing assistance loans provide producers interim financing at harvest time to meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows. A producer realizes a marketing loan gain if the loan is repaid at less than the loan principal. Missouri producers received \$2,260,966 in market loan gains in fiscal year 2004.

**\$479 Thousand in Wetlands Reserve Program Payments.** This program provides an opportunity for landowners to receive financial incentives to enhance wetlands in exchange for retiring marginal land from agriculture. Missouri producers received \$479,562 voluntarily enhancing wetlands.

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